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## FISCAL IMPACT REPORT

SPONSOR Martinez DATE TYPED 3/16/05 HB 990/aHAFC

SHORT TITLE Judicial Campaign Funding Act SB \_\_\_\_\_

ANALYST Wilson

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$0.1	Recurring	General Fund

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
		\$0.1	Recurring	Judicial Election Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Duplicates SB 642

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)

Attorney General's Office (AGO)

Corrections Department (CD)

### SUMMARY

#### Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment removes the \$50 thousand appropriation from the general fund to the judicial election fund for expenditure in fiscal year 2006 and subsequent fiscal years to carry out the purposes of the Judicial Campaign Funding Act.

Synopsis of Original Bill

House Bill 990 appropriates \$50 thousand from the general fund to the Judicial Election Fund for the purpose of financing the election campaigns of certified candidates for supreme court justice or court of appeals judge.

The fund will receive money from the following sources:

- Qualifying contributions submitted to the Secretary of State
- Any recurring balance of unspent fund money distributed to a certified candidate who does not remain a candidate through the primary or general election period for which the money was distributed
- Money that remains unspent or unencumbered by a certified candidate following the date of the primary election
- Money that remains unspent or unencumbered by a certified candidate following the date of the primary election and the general election
- Unspent seed money that cannot be used for any other purpose
- Money appropriated by the legislature

A certified candidate means a candidate running for supreme court justice or court of appeals judge who chooses to obtain financing pursuant to the Act and who is certified as a Judicial Campaign Funding Act candidate.

This bill also does the following:

- Sets out the terms for obtaining financing, including filing a declaration of intent, and sets out conditions that would cause a candidate to be ineligible for funding.
- Describes the process by which applicants shall obtain qualifying contributions.
- Provides for the collection, use and forfeiture of seed money by a candidate.
- Sets out requirements for certification by the Secretary of State.
- Sets out guidelines and restrictions for contributions to and expenditures of certified candidates.
- Addresses political party expenditures as contributions to certified candidates.
- Sets out candidate reporting requirements.
- Provides for the timing and amount of fund distribution for adjustments to fund distribution.
- Provides for the distribution of funds to a certified candidate in an amount sufficient to equal the funds of an uncertified opponent.
- Sets out the procedure for challenging a certification decision, including appeal to the dis-

trict court.

- Provides that a willful or knowing violation of the act is a fourth degree felony.

### Significant Issues

The AOC suggests extending the deadline for return of unspent or unencumbered funds from two weeks to one month of a primary or general election. A candidate could have, for example, phone expenses that relate to the campaign but are in an unknown amount, with a bill to arrive later than the two-week deadline.

The AOC further suggests in section 16, clarifying which decision may be appealed in district court.

### **FISCAL IMPLICATIONS**

The appropriation of \$50 thousand in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall not revert to the general fund.

This bill creates a new fund and provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

There will be a minimal administrative cost for statewide update, distribution, and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the number of appeals filed in district court. New laws, amendments to existing laws, and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

### **ADMINISTRATIVE IMPLICATIONS**

The bill requires the Secretary of State to prepare and provide a report regarding the administration, implementation and enforcement of the act.

### **DUPLICATION**

HB 990 duplicates SB 642

**DW/lg:yr**